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(Original Signature of Member)

117TH CONGRESS
2D SESSION

H. R. _____

To amend the State Small Business Credit Initiative Act of 2010 to modify allocations under the State Small Business Credit Initiative, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. PHILLIPS introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the State Small Business Credit Initiative Act of 2010 to modify allocations under the State Small Business Credit Initiative, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “State Small Business
5 Credit Initiative Act of 2010 Technical Changes Act”.

1 **SEC. 2. TECHNICAL AMENDMENTS TO THE STATE SMALL**
2 **BUSINESS CREDIT INITIATIVE ACT OF 2010.**

3 (a) EXCEPTION FOR ALLOCATED AMOUNTS LESS
4 THAN OR EQUAL TO \$1,000,000.—

5 (1) IN GENERAL.—Section 3003(c)(1) of the
6 State Small Business Credit Initiative Act of 2010
7 (12 U.S.C. 5702(c)(1)) is amended—

8 (A) in subparagraph (A)(i), by inserting “,
9 except as provided in subparagraph (D)” before
10 the semicolon at the end; and

11 (B) by amending subparagraph (D) to
12 read as follows:

13 “(D) EXCEPTIONS.—The Secretary—

14 “(i) may, in the Secretary’s discretion,
15 transfer the full amount of the partici-
16 pating State’s allocated amount to the
17 State in a single transfer if the partici-
18 pating State applies to the Secretary for
19 approval to use the full amount of the allo-
20 cation as collateral for a qualifying loan or
21 swap funding facility; and

22 “(ii) shall transfer the full amount of
23 the participating State’s allocated amount,
24 if such amount is less than or equal to
25 \$1,000,000, to the State in a single trans-
26 fer upon approval under section 3004 and

1 subject to the requirements of paragraph
2 (7).”.

3 (2) USE OF TRANSFERRED FUNDS.—Section
4 3003(c)(3) of the State Small Business Credit Ini-
5 tiative Act of 2010 (12 U.S.C. 5702(c)(3)) is
6 amended—

7 (A) in subparagraph (C)—

8 (i) by inserting “if the allocated
9 amount under subsection (b) is greater
10 than \$1,000,000,” before “in the case of”;
11 and

12 (ii) by striking “or” at the end;

13 (B) in subparagraph (D)—

14 (i) by inserting “if the allocated
15 amount under subsection (b) is greater
16 than \$1,000,000,” before “in the case of”;
17 and

18 (ii) by striking the period at the end
19 and inserting “; or”; and

20 (C) by adding at the end the following new
21 subparagraph:

22 “(E) if the allocated amount under sub-
23 section (b) is less than or equal to \$1,000,000,
24 for paying administrative costs incurred by the
25 State in implementing an approved State pro-

1 gram in an amount not to exceed 3.6 percent
2 of the allocated amount.”.

3 (3) RECOUPMENT.—Section 3003(c) of the
4 State Small Business Credit Initiative Act of 2010
5 (12 U.S.C. 5702(c)) is amended by adding at the
6 end the following new paragraph:

7 “(7) RECOUPMENT OF ALLOCATED AMOUNTS
8 FOR CERTAIN PARTICIPATING STATES.—

9 “(A) IN GENERAL.—With respect to a par-
10 ticipating State for which the Secretary allo-
11 cated an amount less than or equal to
12 \$1,000,000, the Secretary may recoup an
13 amount of such State’s allocated amount as fol-
14 lows:

15 “(i) If, not later than the last day of
16 the 3-year period beginning on the date of
17 approval under section 3004, an amount
18 equal to 80 percent of one-third of such al-
19 located amount has not been certified by
20 the State as expended, obligated, or trans-
21 ferred, the amount recouped shall be equal
22 to two-thirds of the such allocated amount.

23 “(ii) If, not later than the last day of
24 the 6-year period beginning on the date of
25 approval under section 3004, an amount

1 equal to 80 percent of two-thirds of such
2 allocated amount has not been certified by
3 the State as expended, obligated, or trans-
4 ferred, such amount shall be equal to one-
5 third of the such allocated amount.

6 “(B) REALLOCATION.—Any amount re-
7 couped under this paragraph may be reallocated
8 by the Secretary to a Tribal government that
9 was not a participating State subject to
10 recoupment under this paragraph. In making
11 such a reallocation, the Secretary shall not take
12 into account the specific allocation for Tribal
13 governments described under subsection
14 (b)(2)(D).”.

15 (4) APPLICABILITY.—The amendments made
16 by this subsection shall apply with respect to an allo-
17 cation made to a participating State under the State
18 Small Business Credit Initiative Act of 2010 (12
19 U.S.C. 5701 et seq.) for fiscal year 2022 and each
20 fiscal year thereafter.

21 (b) EXTENSION OF CERTAIN PERIODS.—The State
22 Small Business Credit Initiative Act of 2010 (12 U.S.C.
23 5701 et seq.) is amended—

24 (1) in section 3004(d)(2), by striking “12
25 months” and inserting “18 months”;

1 (2) in section 3007(d), by striking “the first
2 March 31” and all the follows and inserting “March
3 31, 2031.”; and

4 (3) in section 3009(c), by striking “7-year” and
5 inserting “11-year”.

6 (c) TECHNICAL AMENDMENT.—The State Small
7 Business Credit Initiative Act of 2010 (12 U.S.C. 5701
8 et seq.) is amended—

9 (1) in section 3003(b)(2)—

10 (A) by redesignating subparagraph (D) as
11 subparagraph (E); and

12 (B) by redesignating subparagraph (C)
13 (relating to “Separate allocation for Tribal gov-
14 ernments”) as subparagraph (D); and

15 (2) in section 3003(c)(4)(B), by striking “sub-
16 section (b)(2)(C)” and inserting “subsection
17 (b)(2)(D)”.